



**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1995 ASSEMBLY BILL 56**

February 23, 1995 - Offered by JOINT COMMITTEE ON FINANCE.

1     **AN ACT** *to repeal* 234.90 (2) (d), 234.90 (3m) (b) and 234.90 (5); *to renumber and*  
2         *amend* 234.90 (3m) (a); *to amend* 234.90 (4) (a) and 234.93 (4) (a) 2.; and *to*  
3         *create* 234.93 (4m) of the statutes; **relating to:** extending the agricultural  
4         production loan guarantee program, eliminating the interest subsidy and  
5         requesting an audit of administrative assessments against the Wisconsin  
6         development reserve fund.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

7         **SECTION 1.** 234.90 (2) (d) of the statutes is repealed.

8         **SECTION 2.** 234.90 (3m) (a) of the statutes is renumbered 234.90 (3m) and  
9         amended to read:

10         234.90 **(3m)** EXTENSION. ~~Except as provided in par. (b), a~~ A participating lender  
11         may extend the term of a loan until no later than June 30 of the calendar year  
12         following the calendar year in which the participating lender granted the loan.

13         **SECTION 3.** 234.90 (3m) (b) of the statutes is repealed.

14         **SECTION 4.** 234.90 (4) (a) of the statutes is amended to read:

1           234.90 (4) (a) Except as provided in par. (b), the authority shall guarantee  
2    repayment of 90% of the principal of any agricultural production loan eligible for  
3    guarantee under sub. (2) made to a farmer eligible for a guaranteed loan under sub.  
4    (3) or (3g) ~~during the period beginning on January 1, 1993, and ending on December~~  
5    ~~31, 1994.~~

6           **SECTION 5.** 234.90 (5) of the statutes is repealed.

7           **SECTION 6.** 234.93 (4) (a) 2. of the statutes is amended to read:

8           234.93 (4) (a) 2. To fund guarantees under all of the programs guaranteed by  
9    funds from the Wisconsin development reserve fund at a ratio of \$1 of reserve funding  
10   to \$4 of total principal and outstanding guaranteed principal that the authority may  
11   guarantee under all of those programs.

12          **SECTION 7.** 234.93 (4m) of the statutes is created to read:

13          234.93 (4m) LIMITATION ON LOAN GUARANTEES. The authority shall regularly  
14    monitor the cash balance in the Wisconsin development reserve fund. The authority  
15    shall ensure that the cash balance in the fund is sufficient for the purposes specified  
16    in sub. (4) (a) 1. and 2.

17          **SECTION 8. Nonstatutory provisions.**

18          (1) The joint legislative audit committee is requested to direct the legislative  
19    audit bureau to perform a financial and performance evaluation audit of the  
20    assessments made against the Wisconsin development reserve fund by the  
21    Wisconsin Housing and Economic Development Authority for its costs to administer  
22    each of the loan guarantee programs established under chapter 234 of the statutes.  
23    The audit shall include, for each loan guarantee program, a comparison of the costs  
24    that a commercial lender would likely incur to administer a similar loan guarantee  
25    program and the costs that the Wisconsin Housing and Economic Development

1 Authority assessed for administration of the program. The legislative audit bureau  
2 shall file a report of an audit performed under this subsection with those entities  
3 specified in section 13.94 (1) (b) of the statutes.

4 **SECTION 9. Initial applicability.**

5 (1) The treatment of section 234.90 (2) (d), (3m) (a) and (b), (4) (a) and (5) of  
6 the statutes first applies to agricultural production loans made on January 1, 1995.

7 **(END)**